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Column One
David Courtney

SIX months ago at Lisbon, the Atlantic allies of the United States promised to mobilize 50 combat divisions by the end of 1953 and to double that during the following two years. It is now accepted that their promise for 1953 will not be kept and their promise for the next two years depends less on Europe's willingness to make good than upon American generosity.

As a consequence of the backing in arms deliveries, equipment and supplies, which France, Italy and Belgium say they cannot catch up with unless the Americans send more shipments of everything needed, from jet fighters to jeeps, these countries are now seriously considering a reduction of the period of compulsory service by six months. The Belgian Government, harassed by anti-militarist strikes, was perhaps glad of this excuse to limit the service period to 21 months instead of raising it to two years, which is the minimum time, according to American regulations, required to accustom the soldier to the complexity of modern arms.

THE Israelis, who are not yet part of the Atlantic community and had nothing to do with Lisbon, have gone the other way and are now on the point of raising the period of compulsory military service from the two years regarded in Western Europe as the limit, to two and a half years. There is no particular reason why the burden of military service should not be as tedious, expensive and hampering to the impoverished State of Israel as it is, say, to Belgium, which is actually in a fairly strong position. The fact remains that Israel is heretofore ready to take up its own account and in preparation for enemies peculiarly its own, or to meet the same threat that worries the advanced states of Western Europe in Belgium and France, is difficult to determine.

IN any case, it is odd that what Israel can do more than the highly-organized and richer countries of Western Europe cannot do, odd still, that what the Western European countries cannot do, Israel can. One may hope that the difference will be understood in Washington and that the agreement allowing Israel to obtain military supplies from U.S. stocks will be generously interpreted. To be sure, Israel has commitments in Europe. Aside from its delicate frontiers, it has an absorption problem of its own. But the decision to keep young men in the army for another six months is nevertheless a remarkable one.

THE European problem was foreseen, of course, by many people when the Lisbon conference published its general findings. It was felt then in responsible quarters that the economies of Western Europe would make it almost impossible for countries like France and Italy, and even Britain, to fulfil their Lisbon undertakings. In these criticisms no question of principle was involved, just as none is involved in the arms and manpower problem today. It was argued, and it is still argued, that the limit to military preparedness is fixed not by will or even by the calculations of need, but by output capacity, plus, in the present instance, the capacity of the U.S. to fill in gaps.

OTHERWISE, something in the nature of a new Lisbon conference to work out the problem realistically, has become necessary. If NATO limps it may be because its shoes don't fit, not because there is anything seriously the matter with its feet, or even its head.

Tel Aviv, August 14.

Lavon to Return To Government

Mr. Pinhas Lavon, who was Minister of Agriculture before the last election, is shortly to be appointed to the Cabinet without portfolio. Mr. Ben Gurion informed the Mafai caucus of this decision last night and is expected to announce it in the Knesset next week.

The appointment is intended to restore Mafai strength in a 14-man Cabinet to allow as it was before the death of Mr. Eliezer Kaplan.

Before he became Minister in October 1950, Mr. Lavon was Secretary-General of the Histadrut. He has latterly served as a member of the Mafai Secretariat and the Secretariat of the Ihud Hakibbutzim.

As Minister without portfolio, Mr. Lavon will not be burdened with the administration of a government department and it is expected that he will be able to relieve the Prime Minister of some of his manifold duties, including work in the House.

Status Bill Back In Knesset Next Week

The Government will table next week the Status Bill giving the Zionist Organization recognition as "the authorized agency which shall continue to work for the development of the land." This was the bill which the Government withdrew on Tuesday after the House changed the substance by voting recognition of the W.Z.O. as "the representative organization of the Jewish people."

The Knesset secretary, Mr. Moshe Rosetti, yesterday informed the chairman of the Legislation Committee, Mr. Moshe Ussishkin, of the Government's action in withdrawing the motion. The Committee was to have discussed one clause on which the House had been deadlocked and was holding up the final vote. One of the co-sponsors of the amended version, Mr. Israel Bar Yehuda (Mafai), asked that a statement be made in the House, but Mr. Ussishkin referred the matter to the Committee.

The Committee later decided in effect that the Speaker should make an announcement on the Government's move. A Member of the Knesset Praesidium said last night that the question of whether a statement should be made to the House would be left to the Government.

Proposals for New Knesset Discussed

The President of the Knesset, Mr. Yehoshua Katsenelenbogen, yesterday discussed proposals for new Knesset premises. It is understood that three proposals are being considered: the addition of a fourth story to the present Knesset building; the erection of a new building on the site of the old one; and the erection of a new building on the site of the old one.

Work and War Compensation Raised

The Knesset yesterday increased compensation for war invalids, war widows and orphans and for casualties in labor accidents. Five more laws were passed in a drive to clear the decks before the recess at the end of this month. Tomorrow, the House will deal with proposed income tax reforms.

Two compensation measures were amendments to the Invalids Bill and the War Dead Families Bill. In addition to raising basic monthly allowances from £15 to £17 in consideration of rising costs, the bills gave other provisions designed to encourage the bereaved to rebuild their lives by continuing grants in cases of

Belgium Reduces Army Duty After Discord in Paris

BRUSSELS, Wednesday (UP).—Belgian conscripts will in future serve only 21 months in the army instead of two years, the Government decided today. This decision followed the failure of yesterday's Paris conference of European Army chiefs to reach agreement on a uniform draft period.

Belgium was the only member of the six-nation European Army to require two-year universal service from its youth. The new 21-month period puts Belgium on an equal footing with the Netherlands, which will still serve three months longer than French and Italian youths.

Release Conditional

The decision was taken after a five-hour Cabinet meeting headed by Premier Jean Van Rooye. A communiqué issued at the end of the meeting said the three-month draft was in reality a conditional release of conscripts as legally they are still required to serve two years. However, they will be released after 21 months pending a decision on a uniform period for all European Army draftees.

The communiqué added Belgium would call for a meeting of the NATO Council as soon as possible to discuss the situation.

Britain Undecided On Move to J'lem

LONDON, Wednesday (UP).—While the Government opposes Israel's plans to make Jerusalem the official "political headquarters," no final decision has been taken in London, British officials said today. The whole issue is under study at present and British officials suggest it be deferred until the U.N. meets again in New York next month. Britain would prefer the continuation of the present arrangement with Israel's Foreign Ministry remaining based in Tel Aviv. But whether it will actively oppose a move to Jerusalem is as yet undecided.

The U.N. has suggested it would retain its Embassy in Tel Aviv even if the Foreign Ministry were to "relocate" in Jerusalem. Australia has protested against any attempt to force the diplomatic corps to recognize Jerusalem as the capital of Israel and thereby to contravene the U.N. recommendation. Britain shares the U.S. and Australian views in principle and also fears the move to Jerusalem might reopen the old feud with the Arabs on this issue as well.

There are efforts to dissuade the Israeli authorities from such a move. British officials say they will advise the Israeli Government to accept the U.N. recommendation and not to attempt to force the diplomatic corps to recognize Jerusalem as the capital of Israel.

Soldier Killed On Road; 29 Gadsma Hurt

TEL AVIV, Wednesday. — A soldier was killed and 29 Gadsma youths slightly injured when a truck overturned in Haifa today, an Army spokesman here announced. The truck was taking the Gadsma group to the railway station from Mt. Carmel after they had completed a training course. The soldier was a hitch-hiker, the spokesman added.

Most of the youths, who were sent to the military hospital here, are to be discharged tomorrow, while the remainder are to remain under care for several days more. Two of the group and the civilian driver were taken to Rothschild Hospital in Haifa, the spokesman said.

Taxis to 'Rest' 36 Hours

The compulsory rest period for taxis is to be reduced from two days to 36 hours a week, the Ministry of Communications announced in Jerusalem yesterday.

The Ministry has accepted the recommendation of the Knesset Labour Committee and has now arranged for taxis to rest from 8 o'clock on the eve of their rest day until 8 o'clock on the morning after. Cars will be marked only with the letter indicating the one day.

Nehru Heads New Labour Army

NEW DELHI, Wednesday (AP).—Prime Minister Jawahar Lal Nehru today announced the formation of a new Labour Army. The Government will recruit 100,000 men to serve in the army for a period of 12 months.

Peking Charges U.S. Killing Peace Hopes

TOKYO, Wednesday (UP).—The Communists charged today that "American trickery and verbal gymnastics" are killing the hopes of an armistice in Korea. Peking Radio laid particular stress on the "American refusal to abide by the agreed terms for prisoner repatriation." It indicated that the present one-week recess in the armistice negotiations was only strengthening the deadlock.

The U.N. Command remained silent, but there is no evidence that further concessions would be made on the single issue blocking the peace—the U.N. policy of political sanctuary for anti-Communist Chinese prisoners.

Syria Hits Bonn Payments, U.S. Aid to Israel

PARIS, Wednesday (INA).—The Syrian Government has renewed its protests against financial support of Israel. The Syrian Government has renewed its protests against financial support of Israel.

The broadcast said Zionism and not Communism threatens Middle East security, while the powder keg is the "State of Israel whose expansionist plans create a fear of insecurity in the Middle East and may cause international repercussions."

This insecurity is heightened by the encouraging support of Israel in the U.S., the broadcast said, and repeated the charge that German reparations to Israel would encourage Zionist aggression against her Arab neighbors.

Hague Talks to Run Another Three Weeks

THE HAGUE, Wednesday (AP).—The Israel-West German reparations talks which were thought near completion so many times are not expected to end for another three weeks, when it is believed an agreement will be ready for signing.

Lebanese M.P. Asks Abolition of Titles

Lebanese Member of Parliament Anwar el-Khatib yesterday submitted a proposal to Parliament to abolish the titles of Pasha and Bey. ANA titles of Pasha and Bey. ANA titles of Pasha and Bey.

Another ANA report said that ex-King Farouk of Egypt has sent a number of private representatives to the Lebanon to ascertain whether he could take up permanent residence in the country.

40,000 See Masques, Drink Wine

POST Reporter ZICHRON YA'ACOV, Wednesday. — The Wine Carnival, highlight of this settlement's 10th birthday celebrations, attracted an estimated 40,000 visitors from all over the country today. For about an hour 250 participants, or accompanying vehicles, paraded through the streets of Zichron presenting three distinct themes.

First came masques inspired by Biblical stories on wine — Noah, Lot, the spies, the daughters of Shilo and the Song of Songs. The second part was devoted to reminiscences of the

Nagib Warns Rioters Face Treason Charge

No Taxes, Low Rents For Iran Peasants

TEHRAN, Wednesday.—The Shah today signed a decree giving Premier Mohammed Mossadegh dictatorial powers, and the Premier promptly wiped out all taxes on peasants and slashed landlords' shares of the income of tenant farmers.

Legislation for sweeping powers in political, economic and financial matters was passed by Parliament last week. Mossadegh issued his first two decrees as soon as the Shah made the legislation official. One annuls all taxes and surcharges imposed on peasants and stipulates landlords may no longer engage peasant labour without paying them fixed wages. Heavy fines and prison terms are provided for violators.

The second decree aims at increasing peasant incomes and giving them control over their own affairs. It reduces the share of landlords in the crops of tenant farmers. The Premier said the purpose of the decree was to make Persian peasants "independent and prosperous" and "less liable" to fall prey to Communist propaganda.

India May Send Panikkar to Cairo

NEW DELHI, Wednesday (AP).—Official sources said today that K. M. Panikkar is flying to Cairo "before the end of this month" to become India's Ambassador to Egypt.

The appointment of Panikkar, who returned recently after serving as Ambassador to Peking, is expected to entail at least technically India's recognition of the new Egyptian King as ruler of the Sudan.

Ali Maher Continues Reform Programme

CAIRO, Wednesday. — Prime Minister Ali Maher's Government today slashed the Royal Cabinet's budget by nearly two-thirds and boosted revenue with increases of as much as 10 per cent in income taxes.

The Government also announced a 10 per cent tax on transfers abroad to prevent excessive spending overseas. It also raised the tax on movable assets, commercial and industrial profits by 1 per cent to 17 per cent.

Keres-Czerniak Match Again Adjourned

HELSINKI, Wednesday (AP).—All but one of the adjourned games in the Chess Olympics at Helsinki were finished today. The exception was a marathon first round match between Russia's Paul Keres and M. Czerniak of Israel which was interrupted again today after 90 moves and over 11 hours of play in four sessions.

It looked as if the match will end in a draw and Russia will remain undefeated. The match was interrupted again today after 90 moves and over 11 hours of play in four sessions.

Czech Montreal Consul May Sell Trailers

MONTREAL, Wednesday (Reuter). — Dr. Jiri Marek, Czechoslovakian Consul-General in Montreal who has resigned and has been granted political asylum in Canada, arrived in Peterborough, Ontario, yesterday to pick up a trailer he had ordered two months ago.

Mr. H. B. McGinness, owner of the trailer firm, offered the former consul general a job selling trailers and Mr. Marek said he believed he would accept the offer.

12 Killed as Workers Burn Mill

India May Send Panikkar to Cairo

CAIRO, Wednesday. — General Mohammed Nagib, the Army's "strong man," today broadcast a warning to rioters and especially striking workers that any attempt at disturbances would henceforth be considered as "high treason." Every Egyptian knew, he added, the punishment involved in this charge.

The broadcast followed clashes between police and strikers at Kafr el-Dawar, industrial suburb of Alexandria, in which 12 workers and two policemen were reported killed and 300 wounded.

A Military Court has been designated to Alexandria to conduct an immediate and swift trial of instigators of last night's violence. All strikers arrested after a three-hour Cabinet meeting devoted to recent workers' violence and strikes.

The Kafr el-Dawar clash was the first incident of the day. Six thousand workers returned to their machines at the Mir mills this morning after a two-day strike. Then at a signal they smashed the spinning and set fire to the factory, the biggest and most modern in the Middle East. The damage is estimated at LE400,000.

Several workers were killed and many wounded when the police opened fire. Army reinforcements were rushed to the mills. One policeman succumbed to injuries received in the clash.

Soon afterwards several thousand workers at Mohareem Bey on the outskirts of Alexandria struck in sympathy with the Mir workers. Five workers and one policeman were reported killed after a clash in which the police were joined by troops.

Steel-armoured police patrolled Alexandria in jeeps and lorries and troops were posted at key buildings and foreign consulates.

Later reports said that law and order had been restored at Kafr el-Dawar. The army cordoned off the area, stopping all traffic between Alexandria and this industrial suburb.

In his broadcast Gen. Nagib said this is the only way to maintain order "so that the country may attain the goal of peace and prosperity." He called on the people to maintain order and to refrain from any act of violence.

By Ralph Stevenson, British Press Correspondent in Cairo. The Egyptian Government has decided to send a mission to the Soviet Union to study the possibility of establishing a Soviet-Egyptian pipeline from the Red Sea to the Mediterranean.

The mission will be headed by a high-ranking Egyptian official and will include a number of technical experts. The pipeline would run from the Red Sea to the Mediterranean, passing through the Sinai Peninsula.

Talal Left Throne A Poor Man

AMMAN, Wednesday. — The Jordan Government is considering how much money it will allow ex-King Talal, who left the throne in 1951, to live on after reigning for only one year. The former King, now considered mentally ill with little hope of recovery, must have a government allowance if he is to receive the medical care he needs.

Before becoming King, he lived on an annual allowance of \$5,000, out of which he saved little. It is believed the Government will give Talal an income from the normal royal family allotment.

Meanwhile, the ex-King remains in complete seclusion in Bauman Palace pending decisions on his future. But his photograph is still prominent in hotel lobbies, cinemas and shops. Pictures of King Hussein, Talal's 17-year-old son, are not yet available in Amman.

A Government spokesman said today that the exact time of the new King's arrival here is not known. (AP, Reuter)

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PROFIT AND LOSS ACCOUNT, 1951			
LOSS		PROFIT	
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Interest and Commissions	.. \$70,898.16	Interests and Commissions	.. \$83,916.75
General Expenses 1,868,638.71	Other Profits 267,543.79
Establishment of New Branches 11,561.59		
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Investment to Reserves 38,997.48		
Other Loans 235,977.58		
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